

DEPARTMENT OF THE TREASURY
BUREAU OF ALCOHOL, TOBACCO AND FIREARMS
ABSTRACT AND STATEMENT

NOT IN SUIT

For briefing offers in compromise of liabilities and/or violations incurred under Chapters 32,51,52,53,68 and/or 78 of the Internal Revenue Code, and/or liabilities and/or violations incurred under the Federal Alcohol Administration Act.

1. OFFER SUBMITTED BY (Name and address) John Middleton, Inc. 418 West Church Road King of Prussia, Pennsylvania 19406	OFFER IN COMPROMISE	
	2. ORIGINATING OFFICE Cincinnati NRC	3. AMOUNT OF OFFER \$24,000.00
	4. PERMIT, LICENSE, OR REGISTRY NO. (If applicable) [REDACTED]	5. SYSTEM CONTROL NUMBER(S) N/A
	6. DOLLAR AMOUNT OF LIABILITY BEING COMPROMISED (if applicable) \$48,000.00	
7. TAXPAYER IDENTIFICATION NUMBER [REDACTED]	[REDACTED]	

8. CHARGE

VIOLATIONS:

During the period March 1, 2001 through January 31, 2003, the proponent allegedly:

A. Violated Title 26, United States Code, Section 5761(a), by "omitting things required or doing things forbidden" in regard to tobacco products withdrawn from market. Specifically, utilizing an alternate method/procedure for returning large cigars to bond before it was approved.

B. Violated regulations set out in Title 27, Code of Federal Regulations by not properly:

1. Calculating Excise Tax for free cigars and other allowances used to compensate its distributors;
2. Paying Excise Tax or accounting for the disposition of tobacco products removed from office stock;
3. Following federal regulations for saleable tobacco products returned to bond; and
4. Paying Special Occupational Tax (SOT) for one of its manufacturing facilities.

BUSINESS IN WHICH ENGAGED:

The proponent is a duly qualified manufacturer and producer of tobacco products.

DATE OR PERIOD and LOCATION OF VIOLATIONS:

The violations occurred during the period March 1, 2001 through January 31, 2003 at the proponent's premises located in Limerick and King of Prussia, Pennsylvania.

AMOUNT AND TERMS OF OFFER:

The proponent has submitted an offer of \$24,000.00 in compromise of the above violations.

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9. I have considered the proposition to compromise the liability as charged herein, and, for the reasons embodied in the above abstract and statement, am of the opinion that it will be for the best interest of the United States to ACCEPT REJECT the terms proposed.

10. SIGNATURE AND TITLE

[REDACTED]

11. DATE

10/12/05